

House Bill 2046

Sponsored by Representative SMITH G (Presession filed.)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Specifies types of primary care providers eligible to participate in primary care provider loan repayment program. Adds pharmacists to list of eligible participants in Primary Health Care Loan Forgiveness Program.

A BILL FOR AN ACT

1
2 Relating to primary care practitioner incentive programs; amending ORS 413.233 and 442.574 and
3 section 13, chapter 829, Oregon Laws 2015.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 413.233 is amended to read:

6 413.233. (1) **As used in this section, "primary care provider" includes all of the following:**

7 (a) **A dentist licensed under ORS chapter 679.**

8 (b) **An expanded practice dental hygienist holding a permit issued under ORS 680.200.**

9 (c) **A medical or osteopathic physician licensed under ORS 677.010 to 677.450.**

10 (d) **A nurse practitioner registered under ORS 678.010 to 678.410.**

11 (e) **A licensed psychiatrist.**

12 (f) **A clinical psychologist licensed under ORS 675.010 to 675.150.**

13 (g) **A clinical social worker licensed under ORS 675.530.**

14 (h) **A marriage and family therapist licensed under ORS 675.715 to 675.835.**

15 (i) **A pharmacist licensed under ORS 689.255.**

16 [(1)] (2) There is created in the Oregon Health Authority the primary care provider loan re-
17 payment program for the purpose of assisting primary care providers who have committed to serving
18 medical assistance recipients in rural or medically underserved areas of the state.

19 [(2)] (3) The authority shall prescribe by rule:

20 (a) Participant eligibility criteria[, *including the types of primary care providers who may partic-*
21 *ipate in the program*];

22 (b) The terms and conditions of participation in the program, including the duration of the term
23 for which a participant makes a commitment under subsection [(1)] (2) of this section;

24 (c) The types of loans for which payments may be provided;

25 (d) The priority for distribution of funds available under ORS 413.127 if the funds are insufficient
26 to provide assistance to all of the applicants who are eligible to participate in the program; and

27 (e) The financial penalties imposed on a participant who fails to complete the term of the com-
28 mitment.

29 [(3)] (4) The authority may enter into contracts with one or more public or private entities to
30 administer the program or parts of the program.

31 **SECTION 2.** ORS 442.574 is amended to read:

NOTE: Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted.
New sections are in **boldfaced** type.

- 1 442.574. (1) As used in this section:
- 2 (a) "Participant" means a person who has been selected by the Office of Rural Health to receive
- 3 a loan under subsection (4) of this section.
- 4 (b) "Primary care practitioner" means a:
- 5 (A) Physician licensed under ORS chapter 677;
- 6 (B) Physician assistant licensed under ORS 677.505 to 677.525; [or]
- 7 (C) Nurse practitioner licensed under ORS 678.375; **or**
- 8 **(D) Pharmacist licensed under ORS 689.255.**
- 9 (c) "Prospective primary care practitioner" means a person who is enrolled in a medical edu-
- 10 cation program that meets the educational requirements for licensure as a physician, physician as-
- 11 sistant, or nurse practitioner **or pharmacist.**
- 12 (d) "Service agreement" means the agreement executed by a prospective primary care practi-
- 13 tioner under subsection (3) of this section.
- 14 (2) There is created the Primary Health Care Loan Forgiveness Program, to be administered by
- 15 the office pursuant to rules adopted by the office.
- 16 (3) A prospective primary care practitioner who wishes to participate in the program shall
- 17 submit an application to the office in accordance with rules adopted by the office. To be eligible to
- 18 be a participant in the program, a prospective primary care practitioner must:
- 19 (a) Have completed the first year of the prospective primary care practitioner's medical educa-
- 20 tion;
- 21 (b) Be enrolled in a medical education program in Oregon that emphasizes training rural health
- 22 care practitioners and is approved by the office;
- 23 (c) Execute a service agreement stating that, immediately upon the prospective primary care
- 24 practitioner's completion of residency or training as established by the office by rule, the prospec-
- 25 tive primary care practitioner will practice as a primary care practitioner in a rural setting in this
- 26 state approved by the office for at least as many years as the number of years for which the prac-
- 27 titioner received loans from the Primary Health Care Loan Forgiveness Program; and
- 28 (d) Meet other requirements established by the office by rule.
- 29 (4) The office may select participants from among the prospective primary care practitioners
- 30 who submit applications as provided in subsection (3) of this section. The office shall give preference
- 31 to a prospective primary care practitioner who agrees to practice in a community that agrees to
- 32 contribute funds to the Primary Health Care Loan Forgiveness Program Fund established in ORS
- 33 442.573.
- 34 (5) The office shall provide an annual loan of up to \$35,000 to each participant to cover expenses
- 35 related to the participant's medical education, on terms established by the office by rule. The loan
- 36 must be evidenced by a written obligation but no additional security may be required.
- 37 (6) Repayment of loans provided under subsection (5) of this section is deferred while a partic-
- 38 ipant is in compliance with the service agreement.
- 39 (7) At the end of each full year that a participant complies with the service agreement, the office
- 40 shall forgive one annual loan provided to the participant under subsection (5) of this section.
- 41 (8)(a) A person receiving a loan under subsection (5) of this section who fails to complete the
- 42 residency or training as required by the office by rule shall repay the amount received to the Pri-
- 43 mary Health Care Loan Forgiveness Program plus 10 percent interest on the unpaid balance, ac-
- 44 crued from the date the loan was granted.
- 45 (b) A person receiving a loan under subsection (5) of this section who completes the residency

1 or training required by the office by rule but fails to fulfill the obligations required by the service
 2 agreement shall repay the amount received to the Primary Health Care Loan Forgiveness Program
 3 plus 10 percent interest on the unpaid balance, accrued from the date the loan was granted. Addi-
 4 tionally, a penalty fee equal to 25 percent of the amount received shall be assessed against the
 5 person. No interest accrues on the penalty. The office shall establish rules to allow waiver of all
 6 or part of the penalty owed to the program due to circumstances that prevent the participant from
 7 fulfilling the service obligation.

8 (9) Payments on loans provided under subsection (5) of this section shall be deposited in the
 9 Primary Health Care Loan Forgiveness Program Fund established in ORS 442.573.

10 (10) If a participant defaults on a loan provided under section (5) of this section:

11 (a) Any amounts due may be collected by the Collections Unit in the Department of Revenue
 12 under ORS 293.250; or

13 (b) The Oregon Health and Science University may contract with a collections agency to collect
 14 any amounts due.

15 (11) Any amounts collected under subsection (10) of this section shall be deposited in the Pri-
 16 mary Health Care Loan Forgiveness Program Fund established in ORS 442.573.

17 (12) The office may accept funds from any public or private source for the purposes of carrying
 18 out the provisions of this section.

19 **SECTION 3.** Section 13, chapter 829, Oregon Laws 2015, is amended to read:

20 **Sec. 13.** (1) Service agreements under ORS 442.574 and 348.303 that are in effect on [*the opera-*
 21 *tive date of this section*] **January 1, 2018**, shall remain in effect for the term specified in the agree-
 22 ment.

23 (2) Individuals participating in the primary care provider loan repayment program on [*the opera-*
 24 *tive date of this section*] **January 1, 2018**, shall continue to participate for the duration of the term
 25 of the individual's commitment made pursuant to ORS 413.233.

26 (3) Nothing in the repeal of ORS 348.303, 413.233 and 442.574 relieves a person of a liability,
 27 duty or obligation accruing under or with respect to ORS 348.303, 413.233 and 442.574. Payments
 28 made by participants to discharge an obligation arising under ORS 348.303 (6) or (7), 413.233
 29 [(2)(e)] **(3)(e)** or 442.574 shall be deposited to the Health Care Provider Incentive Fund established
 30 in [*section 1 of this 2015 Act*] **ORS 676.450**.

31 (4) The duties, rights and obligations of the Office of Rural Health under ORS 442.574 are
 32 transferred to the Oregon Health Authority.

33 (5) Any unexpended balances of moneys in the Primary Health Care Loan Forgiveness Program
 34 Fund are transferred to the Health Care Provider Incentive Fund established under [*section 1 of this*
 35 *2015 Act*] **ORS 676.450** and shall be used by the Oregon Health Authority to carry out [*section 2 of*
 36 *this 2015 Act*] **ORS 676.460** and to administer the service agreements entered into pursuant to ORS
 37 442.574 that remain in effect under subsection (1) of this section.

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